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Utilities ask FERC to step on it

By John Bruce • Staff Writer

MONTEREY — Today, in a move to speed up the regulatory process, Dominion, Duke and Southern asked the Federal Energy Regulatory Commission to approve the proposed Atlantic Coast Pipeline this month so tree clearing can start in November.

An urgently toned letter to FERC chair Neil Chatterjee, commissioners Cheryl LaFleur and Robert F. Powelson requested FERC “issue an order granting the certificate for the project at the earliest possible time, consistent with the rules and regulations of the commission.

“The commission staff issued the final Environmental Impact Statement for the project July 21, 2017. In the EIS, FERC staff concluded that the majority of impacts would be reduced to less-than-significant levels with the implementation of ACP’s proposed mitigation and the additional measures recommended in the EIS. We are pleased by the favorable findings in the EIS and have every confidence that the staff recommended conditions can be incorporated into our construction framework.”

It was difficult to determine whether the sense of urgency was related to what climate change scientists have decided is a link between fossil fuels emissions and the record hurricane season devastation. The request did not mention a U.S. Court of Appeals landmark Aug. 22 decision ordering FERC to write a second EIS of the Spectra (now Enbridge) Sabal Trail Pipeline taking greenhouse gas emissions into account as integral to the pipeline overall environmental impact.

Rather, the utilities pointed to agencies that, they claim, want the project to stay on schedule, plus purported economic benefits.

“Further, activities by other federal agencies including the U.S. Forest Service, U.S. Fish and Wildlife Service, Army Corps of Engineers and the National Park Service for permits and related authorizations remain on schedule. Similarly, state actions for section 401 Water Quality Certifications and other state requirements are proceeding and align with our anticipated construction schedule to begin tree clearing in November 2017,” the letter urged.

The proposed “ACP will deliver 1.5 MMDt/day and has commitments for 93 percent of the pipeline capacity. Of this amount, 68 percent of the supplies will serve the electric generation needs in North Carolina and Virginia, thereby improving regional air quality. In addition, 24 percent of ACP’s capacity will provide expanded supplies of natural gas for local gas utilities to meet the critical needs of residential, commercial and industrial customers in gas constrained areas,” the letter said.

“Virginia Natural Gas, a gas distribution subsidiary of Southern Company Gas, serving nearly 300,000 customers in Eastern Virginia, best exemplifies the urgency with this statement on the FERC docket: There is not currently enough interstate pipeline capacity to serve any substantial economic development east of Richmond, Virginia, and often throughout the heating season, large transportation customers are adversely impacted by having their natural gas use restricted by operational flow orders issued from existing interstate pipelines,” the company wrote.

“Piedmont Natural Gas of North Carolina has documented similar critical needs: Increasing demand for natural gas in Piedmont’s rapidly growing Carolinas market is the primary driver for the Atlantic Coast Pipeline, which is the most competitively-priced option for our customers. Not only will ACP deliver the needed additional supplies to support customer growth, but it also will provide operational pressure critical to Piedmont’s physical infrastructures at strategic locations on its pipeline system. The significant natural gas pipeline also will create much needed economic development opportunities through a portion of North Carolina that historically has been economically challengers. The established record about the project confirms that natural gas delivered by ACP will enhance energy security and fuel diversity for the region.

“The associated economic benefits are well documented as the project will bring over 17,000 new jobs in the construction industry, \$377 million in annual energy cost savings for customers and \$28 million in new, annual tax revenues for local governments along the pipeline route. These are only a few of the project’s benefits. Since ACP formally filed with FERC in September 2015 for permission to build the project, it has gained an expansive record of support from state and local governments, skilled craft labor organizations and leading business groups.

“We recognize the commission has a number of cases pending consideration with the restoration of quorum,” Dominion continued. “The commission’s timely issuance of the order for the ACP project, however, is essential to meeting our contract obligations, ensuring customers realize the energy savings, providing manufacturing access to needed supplies of natural gas, and offering enhanced energy security and reliability to the region. For these reasons, we respectfully request that the commission issue an order approving the ACP certificate in September, so that the initial construction activities and tree clearing can begin in November and conclude in early 2018 as described in the final EIS.”

Those signing the letter included Diane Leopold of Dominion, Franklin Yoho of Duke, and Andrew Evans of Southern.